

§ 95.707

the State agency approved the specific purchase and the claiming of the cost of the item, and (b) the contract or service agreement requires that the equipment or its residual value be transferred to the State agency when the equipment is no longer needed to carry out the work under the contract or service agreement.

(2) Reimbursement for ADP equipment having an acquisition cost in excess of \$25,000 and subject to subpart F of this part must be depreciated over its useful life unless otherwise specifically provided for by the Department. ADP equipment not subject to subpart F is subject to the requirements of this subpart.

[47 FR 41576, Sept. 21, 1982, 75 FR 66341, Oct. 28, 2010]

§ 95.707 Equipment management and disposition.

(a) Once equipment, whose costs are claimed for Federal financial participation (i.e., equipment that is capitalized and depreciated or is claimed in the period acquired), has reached the end of its useful life (as defined in an approved APD), the equipment shall be subject to the property disposal rules in § 92.32, Equipment.

(b) The State agency is responsible for adequately managing the equipment, maintaining records on the equipment, and taking periodic physical inventories. Physical inventories may be made on the basis of statistical sampling. The following requirements apply to the disposition of this equipment:

(1) If the cost of the equipment was claimed in the period acquired and the equipment is later sold, the proceeds of the sale shall be credited to current expenditures in approximate proportion to the distribution of the equipment's cost.

(2) If the cost of the equipment was claimed in the period acquired and the equipment is later transferred to an activity which is not involved in the performance of programs currently or previously funded by the Federal Government, an amount equal to the fair market value of the equipment on the date of the transfer shall be credited to current expenditures in approximate pro-

45 CFR Subtitle A (10–1–13 Edition)

portion to the distribution of the equipment's costs.

(3) If the cost of the equipment was claimed in the period acquired and the equipment is later traded in on other equipment claims for Federal financial participation in the costs of replacement equipment shall be limited to the additional outlay.

(4) If the equipment was depreciated, any gain or loss on the disposition of the equipment shall be treated as a decrease or an increase to the depreciation expense of the period in which the disposition takes place. This provision does not apply to equipment whose costs were claimed for Federal financial participation through use allowances.

[47 FR 41576, Sept. 21, 1982, 75 FR 66341, Oct. 28, 2010]

PART 96—BLOCK GRANTS

Subpart A—Introduction

Sec.

96.1 Scope.

96.2 Definitions.

96.3 Information collection approval numbers.

Subpart B—General Procedures

96.10 Prerequisites to obtain block grant funds.

96.11 Basis of award to the States.

96.12 Grant payment.

96.13 Reallotments.

96.14 Time period for obligation and expenditure of grant funds.

96.15 Waivers.

96.16 Applicability of title XVII of the Reconciliation Act (31 U.S.C. 7301–7305).

96.17 Annual reporting requirements.

96.18 Participation by faith-based organizations.

Subpart C—Financial Management

96.30 Fiscal and administrative requirements.

96.31 Audits.

96.32 Financial settlement.

96.33 Referral of cases to the Inspector General.

Subpart D—Direct Funding of Indian Tribes and Tribal Organizations

96.40 Scope.

96.41 General determination.

96.42 General procedures and requirements.

96.43 Procedures during FY 1982.